



STATE OF INDIANA
OFFICE OF THE GOVERNOR

State House, Second Floor
Indianapolis, Indiana 46204

Mitchell E. Daniels, Jr.
Governor

December 21, 2011

Dear fellow state employee:

I'm glad that I can again write this letter to express my sincere appreciation for your continued dedication and service to the state over the last year. Indiana remains a leader in fiscal management and good government among all states, and you are the biggest reason: I firmly believe that we have the most productive and hard-working state workers in the country.

Our pay for performance system has become the subject of interest all over the country, with many other states working to replicate it. It allows us to fully evaluate each person on an individual basis and reward accomplishment and excellence.

Today, I am authorizing the following pay for performance increases to be paid out in early 2012: a 6% raise for those employees rated "outstanding", 4% for "exceeds expectations" and 2% for "meets expectations." Those not meeting expectations will receive no increase.

We will also reinstate the state's \$15 bi-weekly matching contribution to state employees for deferred compensation retirement accounts.

Again, I am profoundly grateful for your commitment to protecting Hoosier taxpayers while providing excellent customer service. I am privileged to call you my co-workers. Happy Holidays to you and yours.

Best regards,